three hundred million pounds. During one year a million bales —375 pounds each—were imported. Adequate quantities can be obtained only from Yucatan. The plant is extensively cultivated there and the supply has often exceeded market demands. Prices paid to producers have varied from less than four to seven or eight cents per pound.

Prior to 1919 appellee banks advanced large sums to parties endeavoring to monopolize importation and sale of sisal in the United States. The Mexican corporation, Comision Reguladora del Mercado de Henequen, was utilized as an important instrumentality for making necessary purchases and legislation favorable to it was secured. For a time the scheme succeeded; then came collapse. Through foreclosure of liens held to secure their loans (several million dollars) appellee banks acquired four hundred thousand bales of fiber stored in this country. About that time, through change of laws, the Yucatan markets were again opened; competition became active and prices declined.

Thereupon, appellee banks, acting jointly and within the United States, entered into and undertook to make effective another and somewhat different combination or scheme to control the sisal market, with the ultimate purpose of selling their holdings, recouping losses and securing large gains. Later, the other defendants became parties thereto.

As the direct outcome of this unlawful combination, conspiracy and accompanying contracts, it is alleged—

Appellees have secured a monopoly of interstate and foreign commerce in sisal. The Comision Exportadora de Yucatan has become sole purchaser of sisal from producers and the Sisal Sales Corporation sole importer into the United States. There is no longer any competition in the trade; excessive prices are arbitrarily fixed. The sisal acquired by the banks during 1919 has been sold; undue profits and commissions have been and are demanded; the conspirators have realized great sums at the expense of our manufacturers and farmers.

All steps necessary to bring about the above-stated results have been deliberately taken by appellees. Some of them are stated below.

The Eric Corporation, organized in August, 1919, and owned and financed by the banks, took over the large stocks of sisal ac-

quired by them through foreclosure, also two hundred and fifty thousand bales accumulated in Yucatan. Laws favorable to it were solicited and secured from the governments of Mexico and Yucatan. Under them, and by the use of large sums supplied by the banks, that corporation and its agents soon became everywhere the dominant factors in the sisal trade. Prior to January, 1921, the Mexican corporation, Comision Reguladora del Mercado de Henequen, was the agency for buying and selling sisal in that country; but about that time its business collapsed. Thereupon, the Comision Monetaria was organized under the same laws, furnished with large sums of money and utilized for such purposes. The governments of both Mexico and Yucatan were persuaded to pass discriminatory legislation and all other buyers were forced out of the markets. But because of the great supply of fiber this plan also proved unsuccessful and The Eric Corporation was obliged to increase its large holdings.

Later, by procurement of the banks, the Sisal Sales Company was organized to deal in sisal and Hanson and Orth became its managers. It took title to the sisal held by The Eric Corporation. The old Comision Reguladora del Mercado de Henequen was revived as the Comision Eportadora de Yucatan and again became the active agent for buying and selling in Mexico. Laws were solicited and passed which gave it advantages over all others. Under these, and by the use of funds supplied by the banks, it soon became the sole buyer of sisal from the producers. It also acquired the fiber held by the Sisal Sales Corporation on storage in the United States. Thereupon, the Sisal Sales Corporation, through contracts, became the exclusive selling agent of the Comision Exportadora de Yucatan in all markets of the world and agreed to furnish the funds necessary for their joint operations. Appellees thus, and by constant manipulation of the markets, acquired complete dominion over them, destroyed all competition, obtained power to advance and arbitrarily to fix excessive prices, and have made unreasonable exactions.

Accepting as true the allegations of the bill—roughly summarized above—it is plain enough that appellees are parties to a successful plan to destroy competition and to control and monopolize the purchase, importation and sale of sisal. The Sherman Act inhibits contracts, combinations and conspiracies to destroy

competition in interstate and foreign trade and commerce as well as attempts to monopolize such trade. Sections 73 and 74 of the Wilson Tariff Act, as amended,* declare unlawful every combination, conspiracy, trust, agreement or contract intended to operate in restraint of trade in, or free competition in respect of, or intended to increase the market price of any article when one of the parties is engaged in importing the same, and give the courts power to prevent and restrain those who violate the Act.

The circumstances of the present controversy are radically different from those presented in *American Banana Co.* v. *United Fruit Co., supra*, and the doctrine there approved is not controlling here. The Banana Company sued for treble damages under the Sherman Act, basing its claim upon acts done outside the United

*Wilson Tariff Act, Aug. 27, 1894, as amended by Act of Feb. 12, 1913.

SEC. 73. That every combination, conspiracy, trust, agreement, or contract is hereby declared to be contrary to public policy, illegal, and void when the same is made by or between two or more persons or corporations either of whom, as agent or principal, is engaged in importing any article from any foreign country into the United States, and when such combination, conspiracy, trust, agreement, or contract is intended to operate in restraint of lawful trade, or free competition in lawful trade or commerce, or to increase the market price in any part of the United States of any article or articles imported or intended to be imported into the United States, or of any manufacture into which such imported article enters or is intended to enter. Every person who is or shall hereafter be engaged in the importation of goods or any commodity from any foreign country in violation of this section of this Act, or who shall combine or conspire with another to violate the same, is guilty of a misdemeanor, and on conviction thereof in any court of the United States such person shall be fined in a sum not less than one hundred dollars and not exceeding five thousand dollars, and shall be further punished by imprisonment, in the discretion of the court, for a term not less than three months nor exceeding twelve months.

SEC. 74. That the several circuit courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of section seventy-three of this Act; and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney-General, to institute proceedings in equity to prevent and restrain such violations. Such proceedings may be by way of petitions setting forth the case and praying that such violations shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified of such petition the court shall proceed, as soon as may be, to the hearing and determination of the case; and pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

States and not unlawful by the law of the place. "The substance of the complaint is that, the plantation being within the *de facto* jurisdiction of Costa Rica, that state took and keeps possession of it by virtue of its sovereign power. But a seizure by a state is not a thing that can be complained of elsewhere in the courts." "A conspiracy in this country to do acts in another jurisdiction does not draw to itself those acts and make them unlawful, if they are permitted by the local law."

Here we have a contract, combination and conspiracy entered into by parties within the United States and made effective by acts done therein. The fundamental object was control of both importation and sale of sisal and complete monopoly of both internal and external trade and commerce therein. The United States complain of a violation of their laws within their own territory by parties subject to their jurisdiction, not merely of something done by another government at the instigation of private parties. True, the conspirators were aided by discriminating legislation, but by their own deliberate acts, here and elsewhere, they brought about forbidden results within the United States. They are within the jurisdiction of our courts and may be punished for offenses against our laws.

Moreover, appellees are engaged in importing articles from a foreign country and have become parties to a contract, combination and conspiracy intended to restrain trade in those articles and to increase the market price within the United States. Such an arrangement is plainly denounced by Section 73 of the Wilson Tariff Act, as amended.

The decree of the court below must be

Reversed.

Mr. Justice STONE took no part in the consideration or decision of this cause.

A true copy.

Test:

Clerk, Supreme Court, U. S.